439 The great distances to the coasts remain an obstacle to outside commerce, for the country lacks motor power. All coal must be imported, and hydroelectric equipment is scanty.

b. Commercial Regulation

The decree 3771-SE of July 21, 1949, set the terms for importing quota goods from metropolitan France and from countries of the French Union or for importing foreign goods. The regulation of exports is set forth in the decree 2233-SE of April 19, 1950. Any merchant holding an export license may export goods. According 441 to Richard-Molard, the commercial companies financed by French and foreign capital (increasingly American) still retain the old trading mentality which seeks to wring maximum profits out of the colony without reinvesting in the country's equipment. Attempts to 474 protect the native producers resulted in the creation of cooperatives which were given certain advantages; nevertheless, the cooperatives soon ran up against the competition of the European commercial houses and were discouraged.

c. Organization

443 Trading posts and cooperatives -- Enumeration and classification of trading posts is governed by a local decree, effective as of the opening of the trading which is itself governed by a general decree. In principle, the decree fixing the location of trading posts is drawn up after consultation by the administrations of the Bamako and Kayes Chambers of Commerce.

[40] It is formally forbidden to buy products elsewhere than at these trading posts, under pain of prosecution; confiscation of goods and seizure of vehicles may even be invoked in certain cases of repeated offense.

Role of the trading posts -- The role of these trading posts is to gather together the products of a region; the choice generally falls on a large village served by a practicable road or on a railway station from which the goods may be the more easily moved out. From the administrative point of view , the trading posts facilitate keeping a

443 record of production and provide a replacement for the markets and fairs abolished by a general decree in 1946. For business, the result is less scattered buying centers and less need for vehicles, packing, etc.

474 443 The cooperatives and the trading posts -- Since 1951 two African cooperatives have been in existence: one at Kita, termed a production cooperative, the other at Kayes, termed commercial and industrial. They are organized under the aegis of the Administration by native businessmen, notables who, under cover of the association, hope to escape the influence of the large commercial houses on which they depend. These cooperatives function in a disappointing manner and lack technique, experience, and a sense of continuity. However, they benefit from concealed subsidies in the form of loans from the Common Funds of the Crédit Agricole and from the Société de Prévoyance.

These cooperatives are not required to buy products only at the trading posts. A village where only one cooperative member resides may be chosen as a buying center by the cooperative directors without it even being necessary for them to have the permission of the Administration.

Situation in 1950-51 -- Profiting from the freedom to choose buying centers that the Administration granted them, the cooperatives established them near the trading posts, thus diverting to themselves a large part of the goods that would normally arrive at the posts. Certain trading posts, notably Sirakoro in the Kita circle, saw their purchases drop by 80 percent because buyers of the cooperative were installed at Goro, 30 kilometers back in the hinterland of this canton. The buyers of the commercial houses, who had granted credit to the cultivators during the rainy season, were unable to recover their loans and, therefore installed themselves in the "cooperative" villages outside the trading posts. The cooperatives protested, and the Administration imposed fines, seizure of scales, products, etc., and, above all, brought intimidation to bear through the intermediary of canton and village heads who forbade the local populations to sell their products to buyers from the commercial houses. The only method of countering these acts was to buy everywhere the cooperative bought.